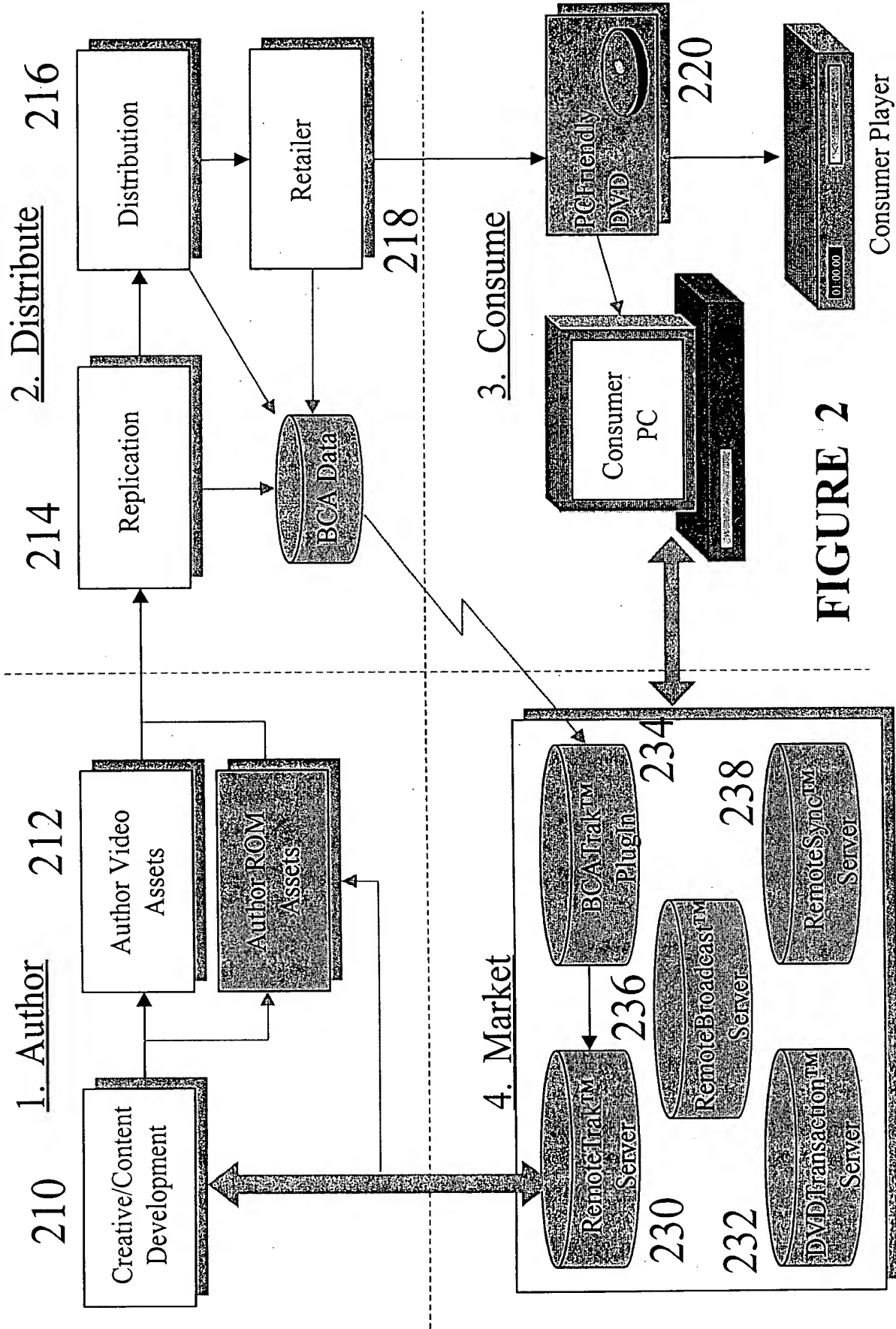


FIGURE 1



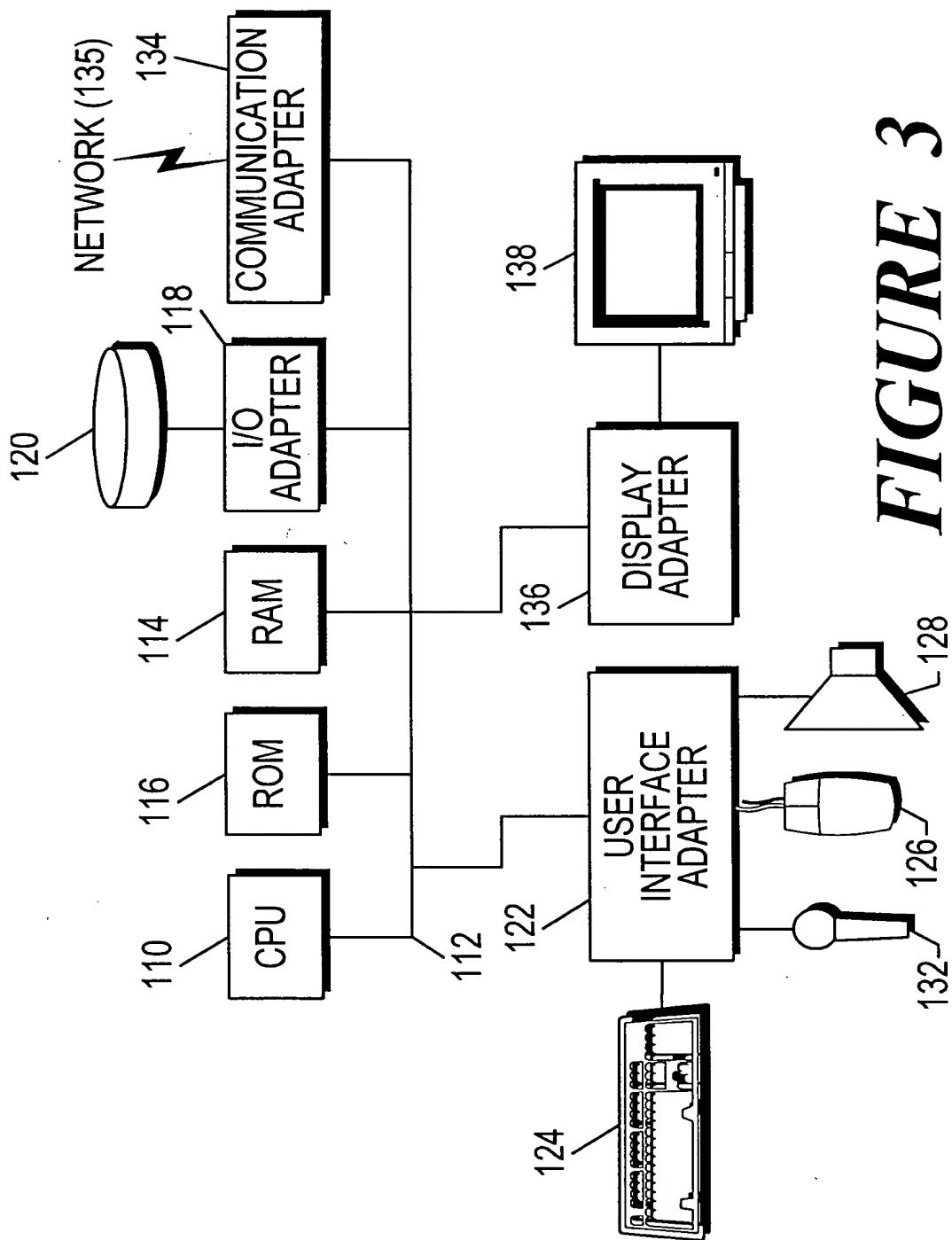


FIGURE 3

DVD Life Cycle (pre-InterActual)

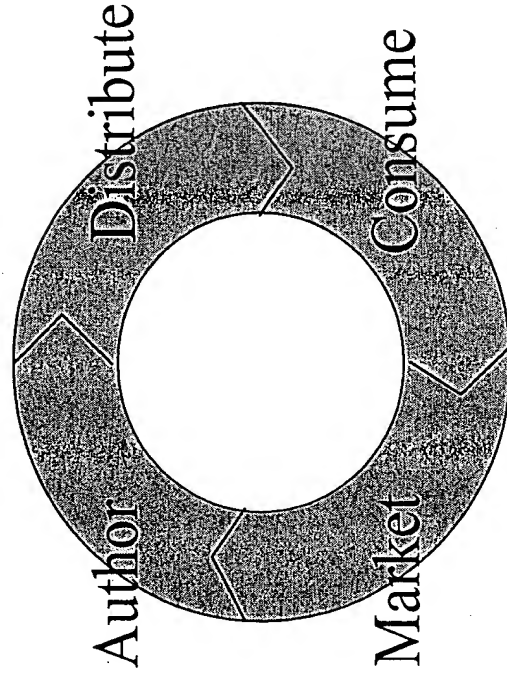


Overview:

- 1) Very similar life cycle to video cassette: video is authored, distributed to retail centers/outlets, purchased by consumer for playback on TVs.
- 2) Linear life cycle: No further contact with consumer.

FIGURE 4

DVD Life Cycle (w/InterActual's Software)



Overview:

- 1) PC market offers a completely new phase to DVD's life cycle: marketing. Motivating PC consumers to purchase and interact with DVDs provides for additional branding and direct marketing opportunities online.
- 2) Performance and usage information collected online can be used to influence content creation process - turning the linear life span into a cyclical one
- 3) Internet can be used to deliver new content.

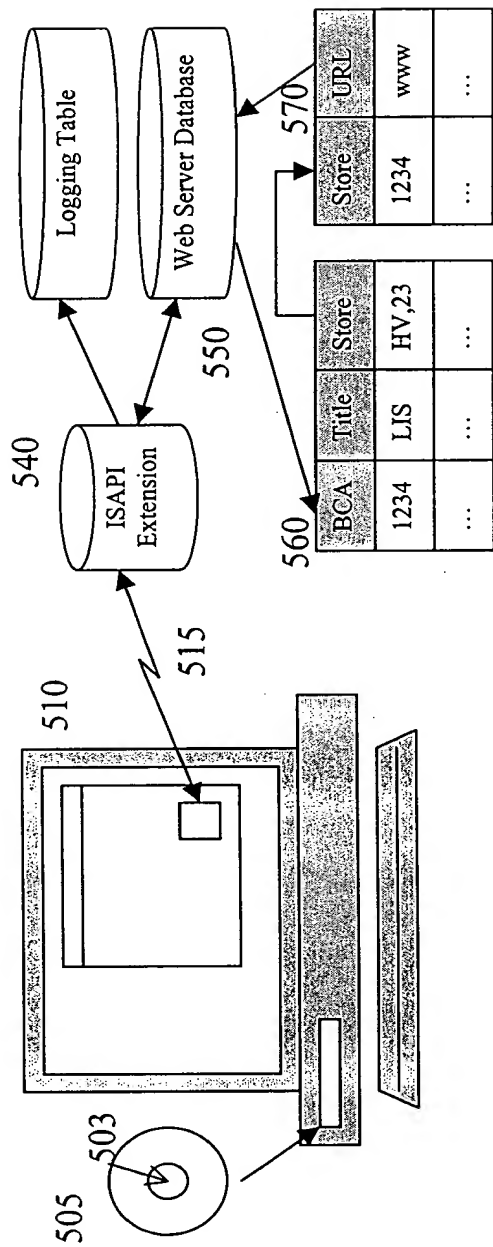


FIGURE 5

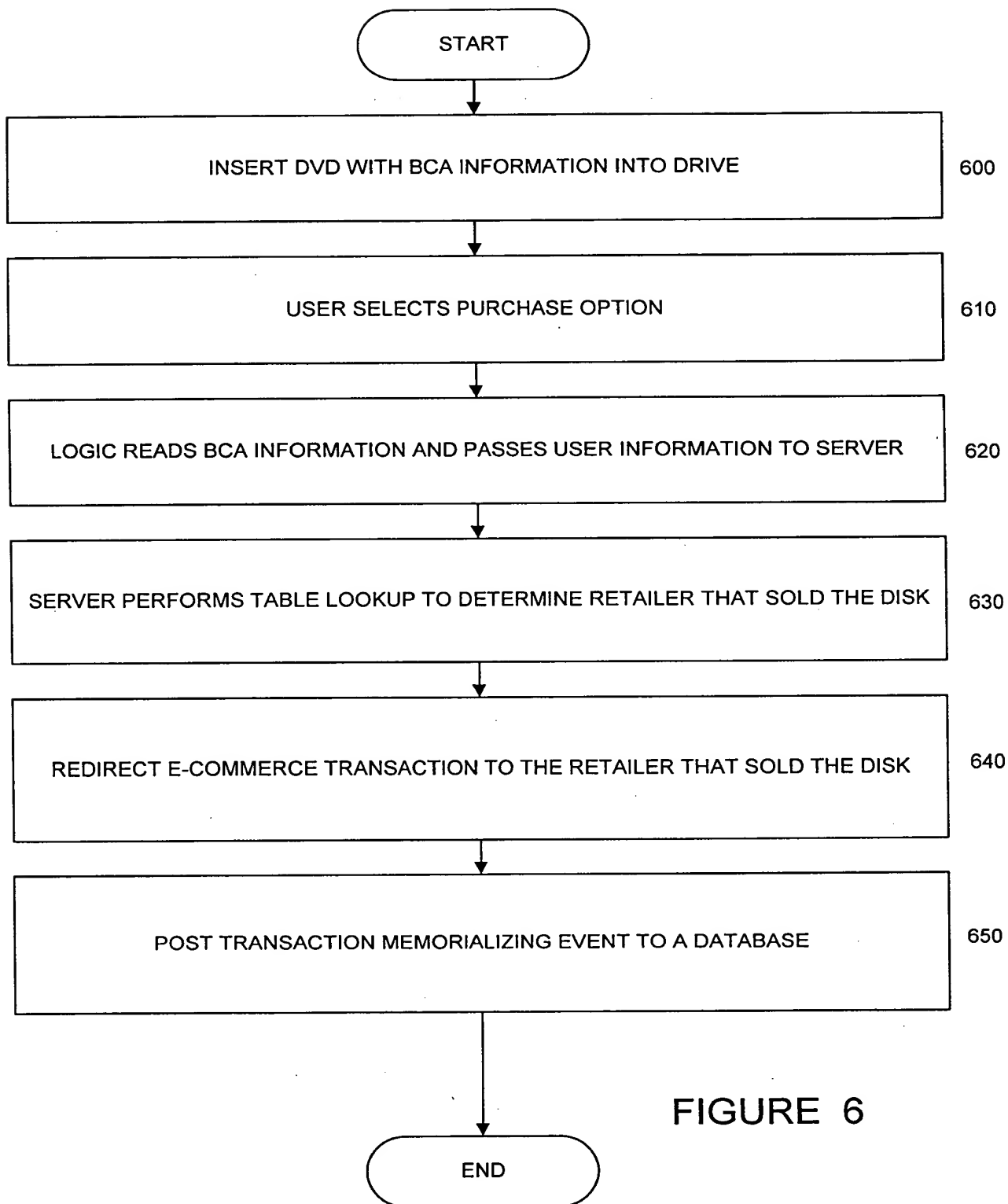


FIGURE 6

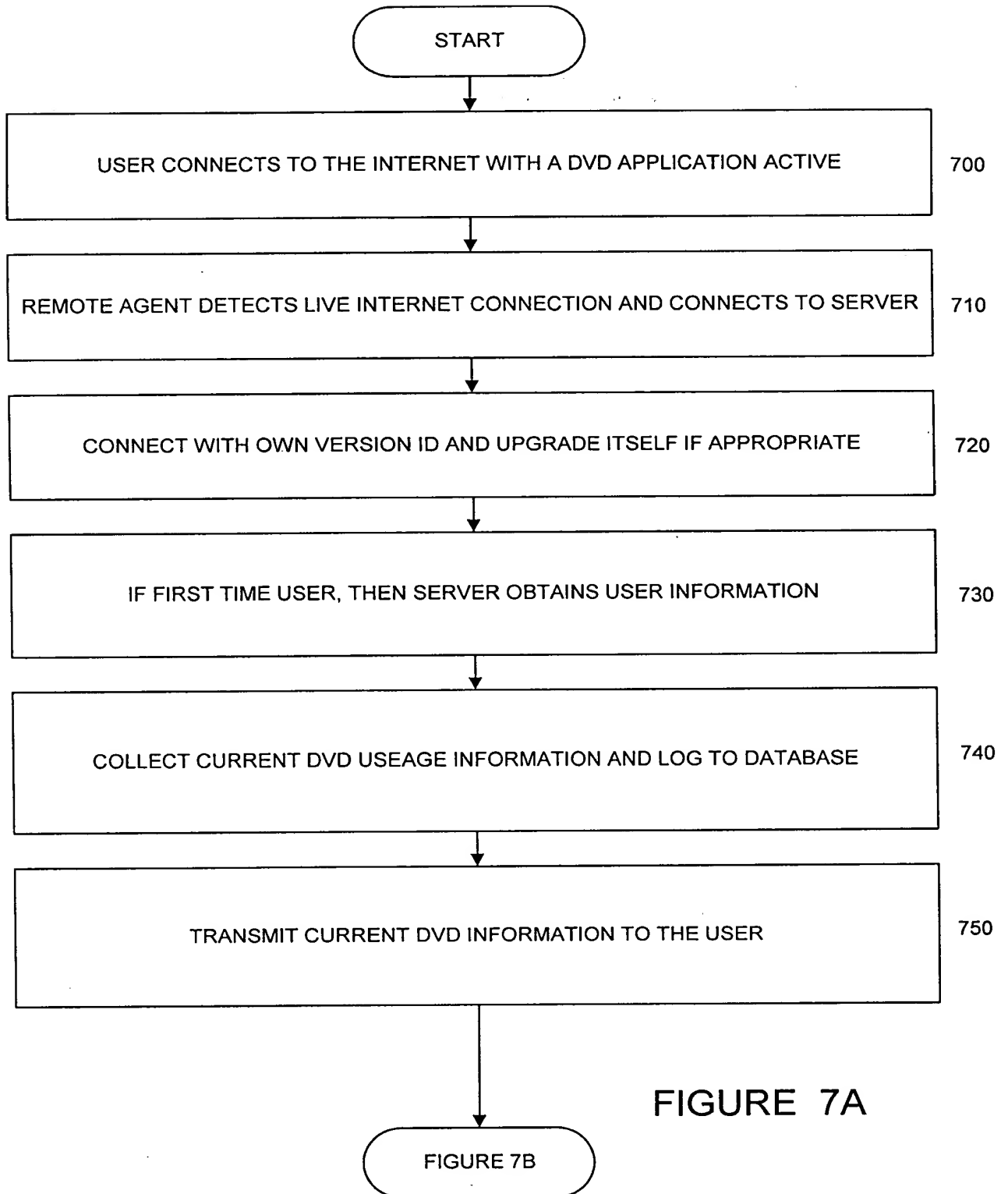


FIGURE 7A

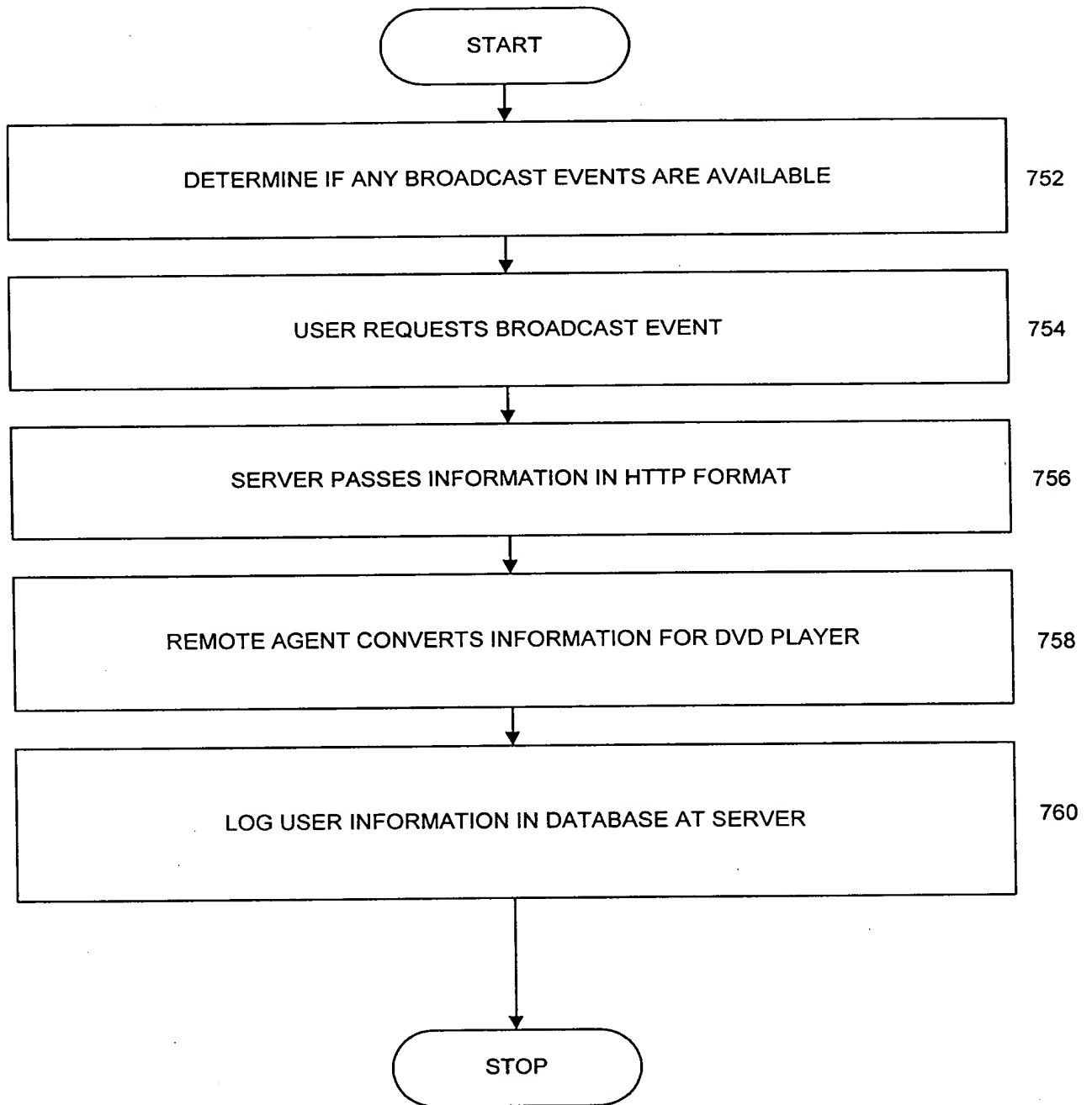


FIGURE 7B

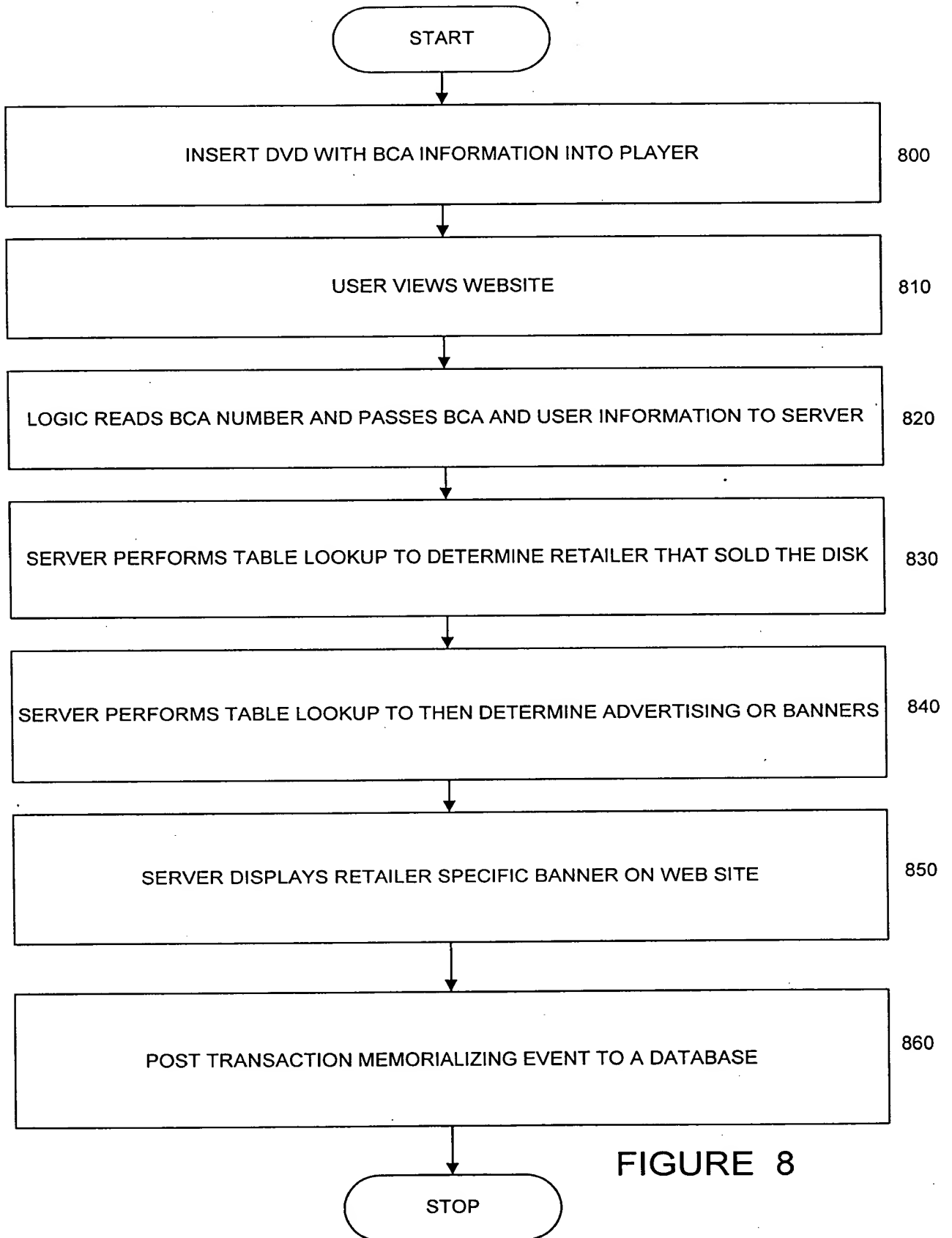


FIGURE 8

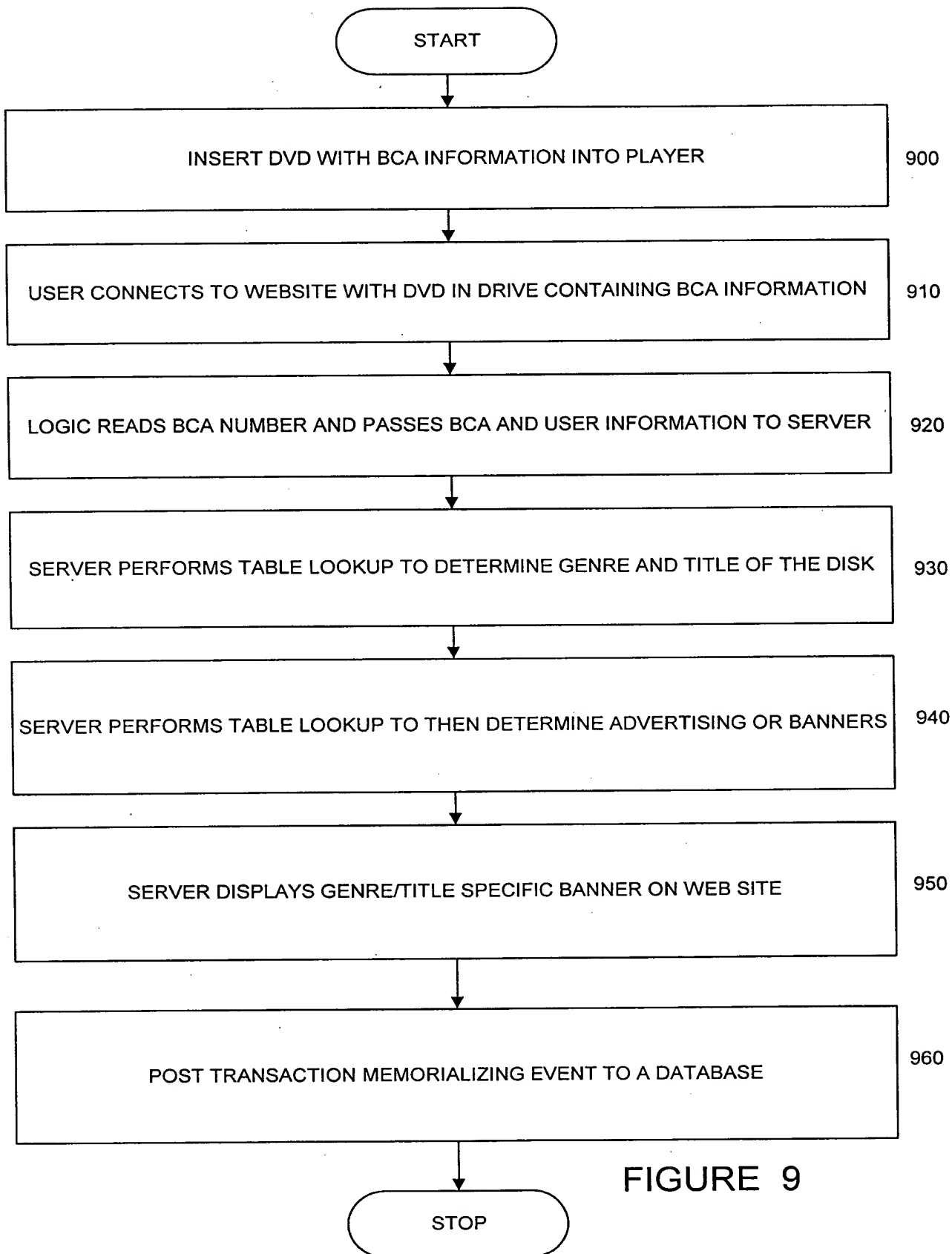


FIGURE 9

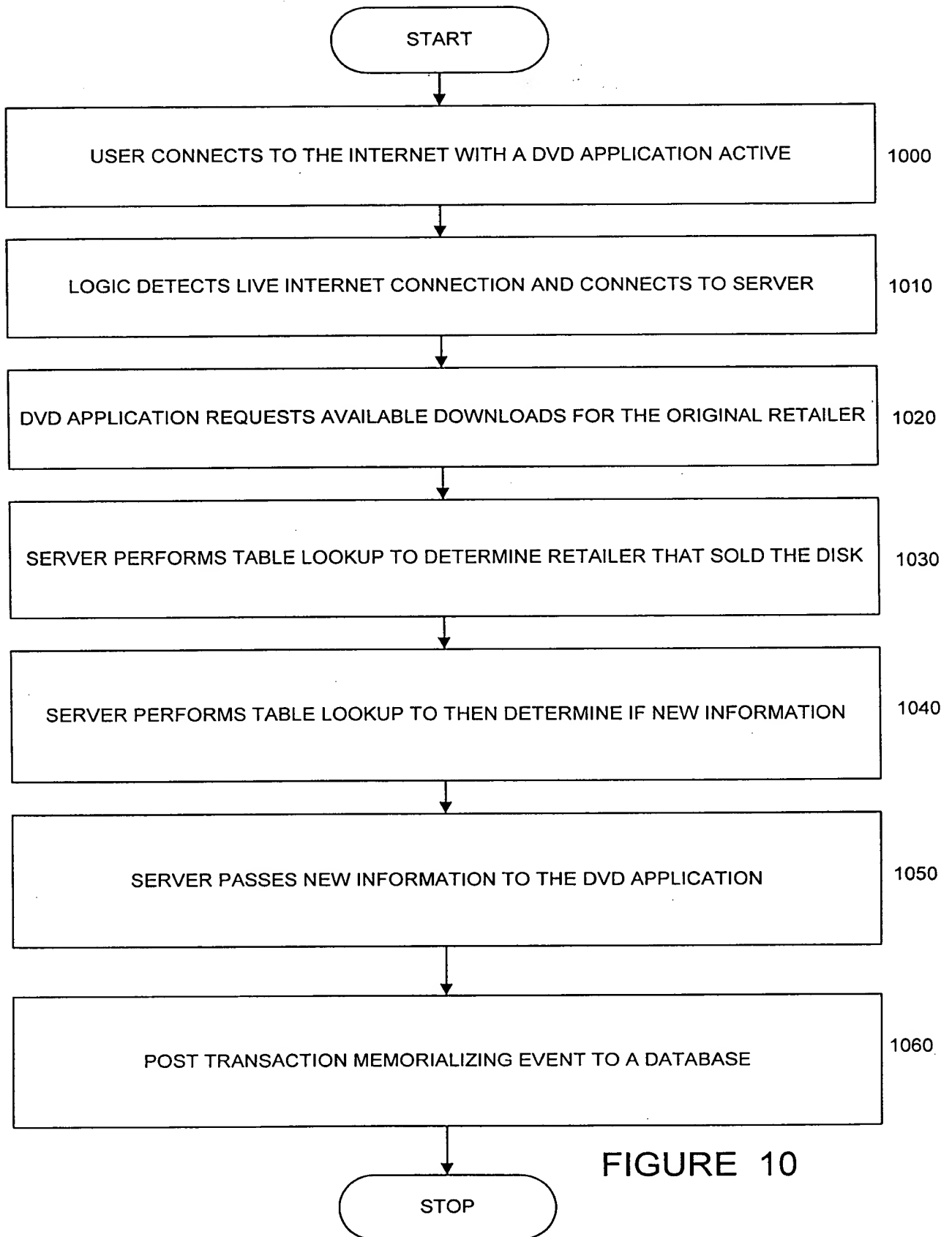


FIGURE 10

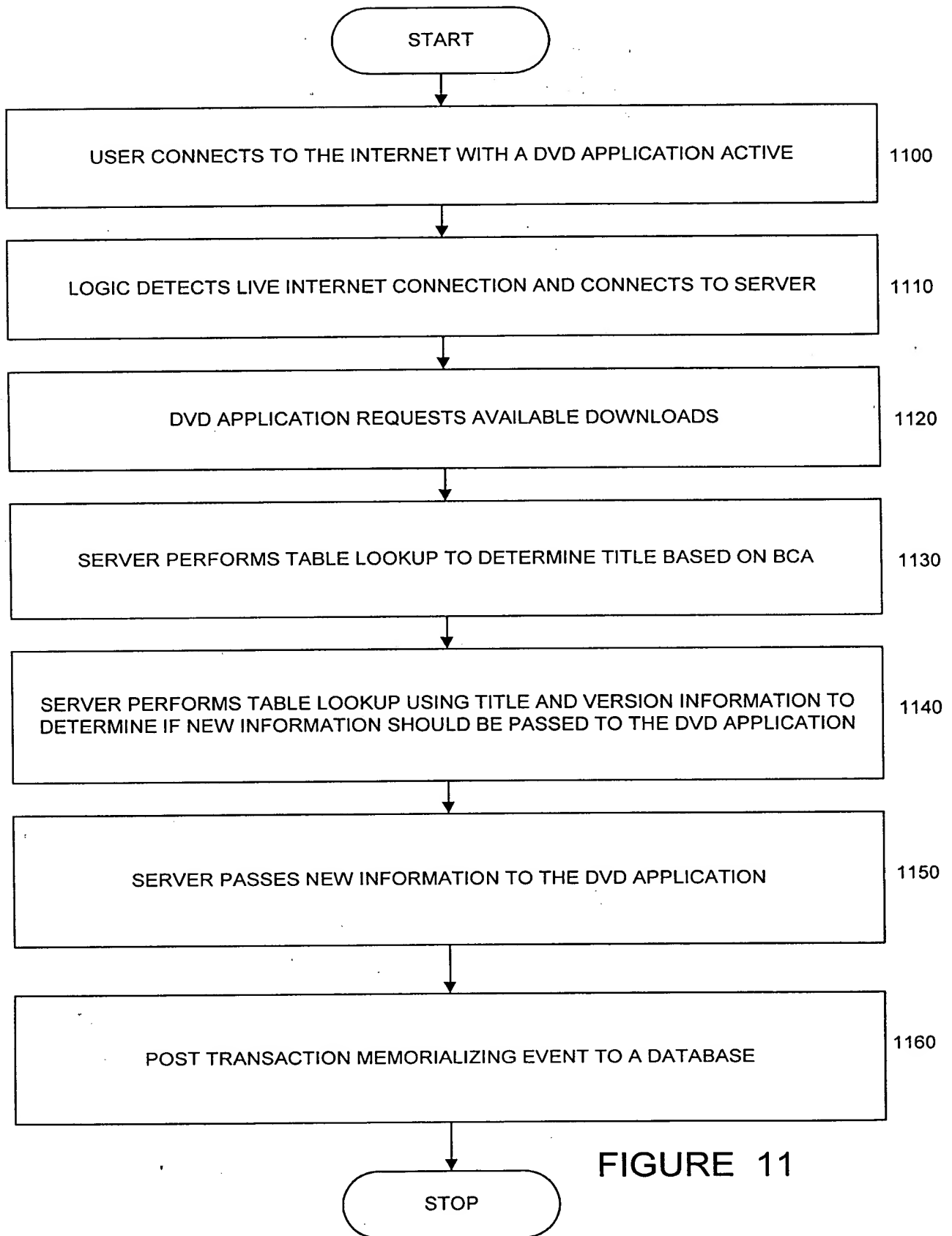


FIGURE 11

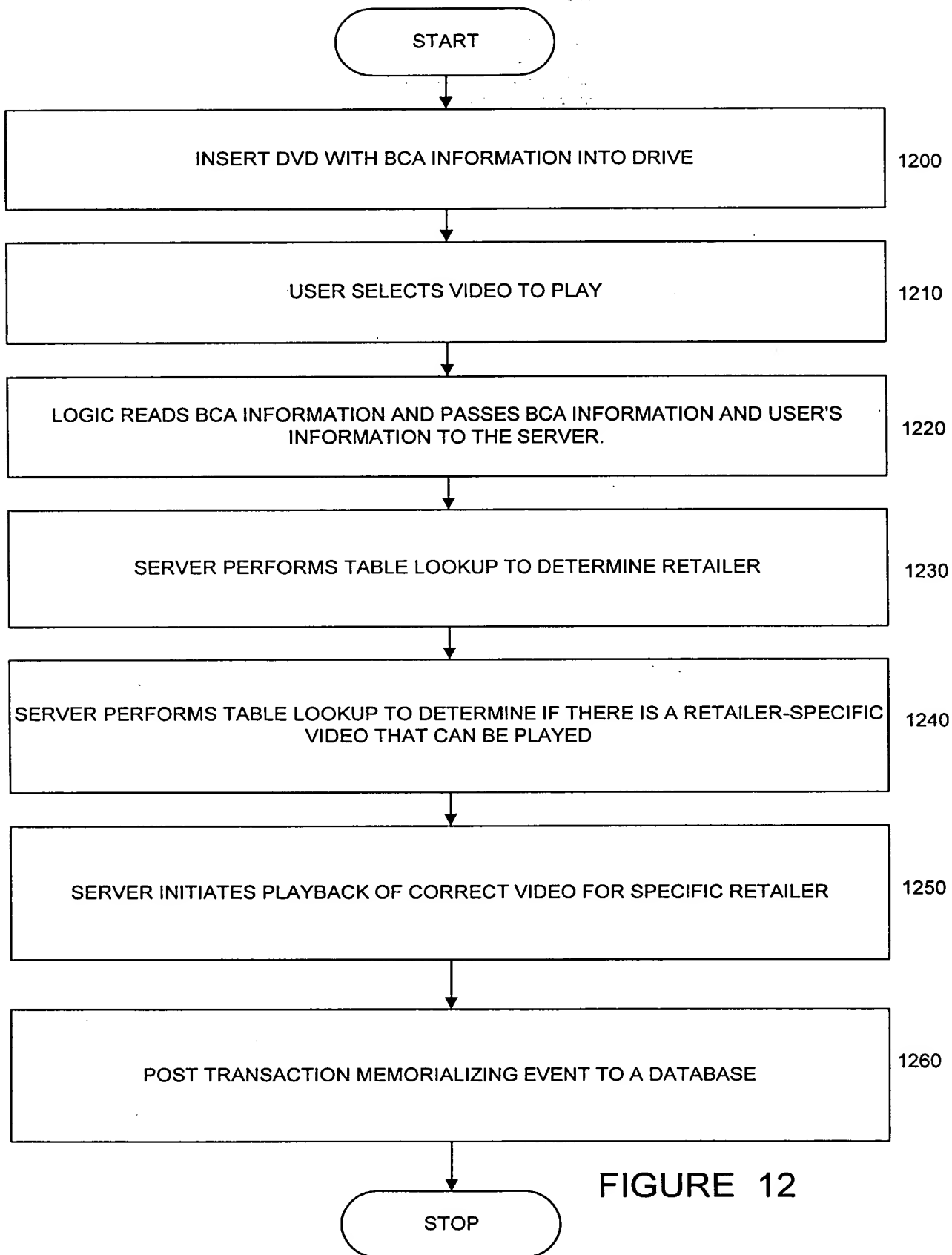


FIGURE 12

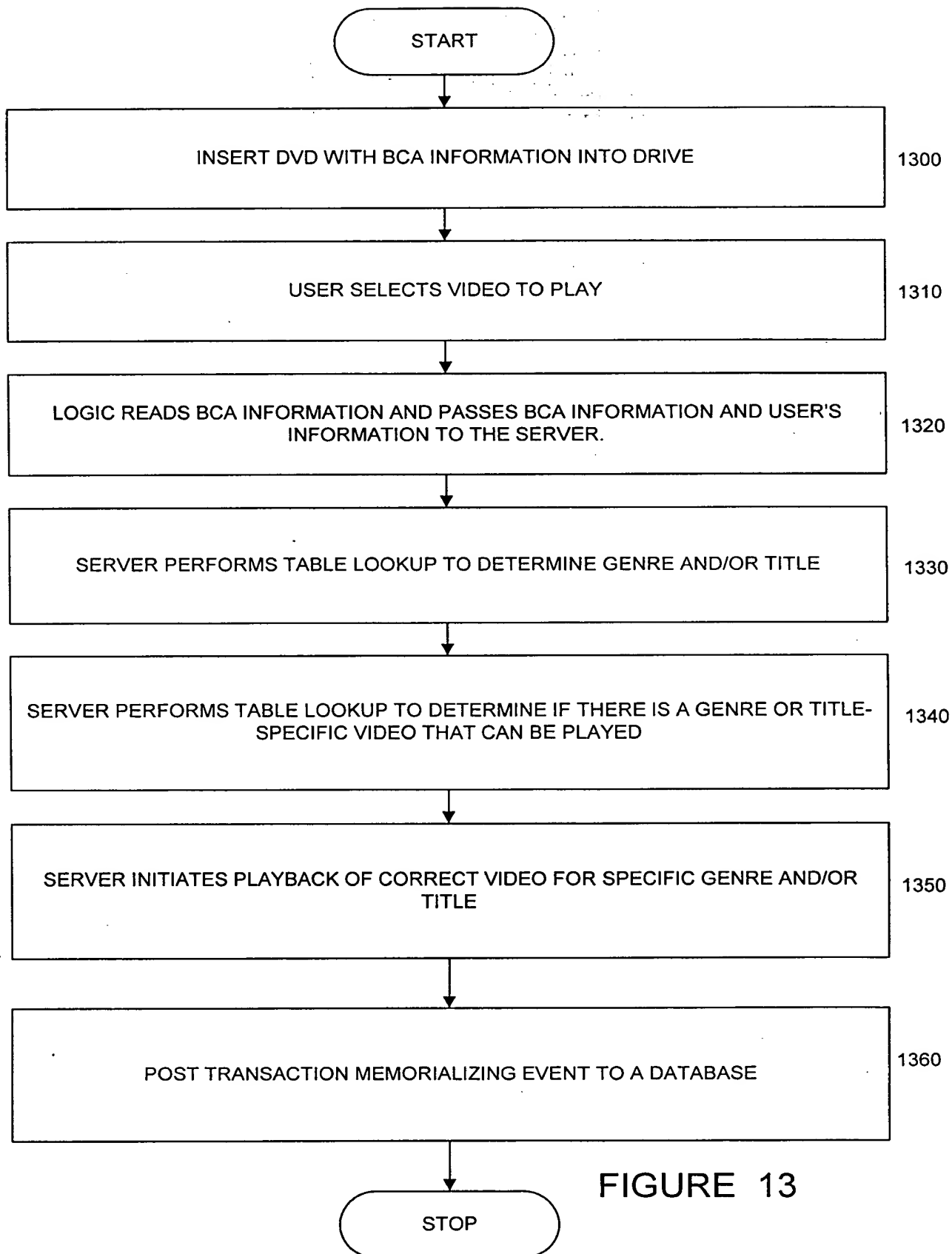


FIGURE 13

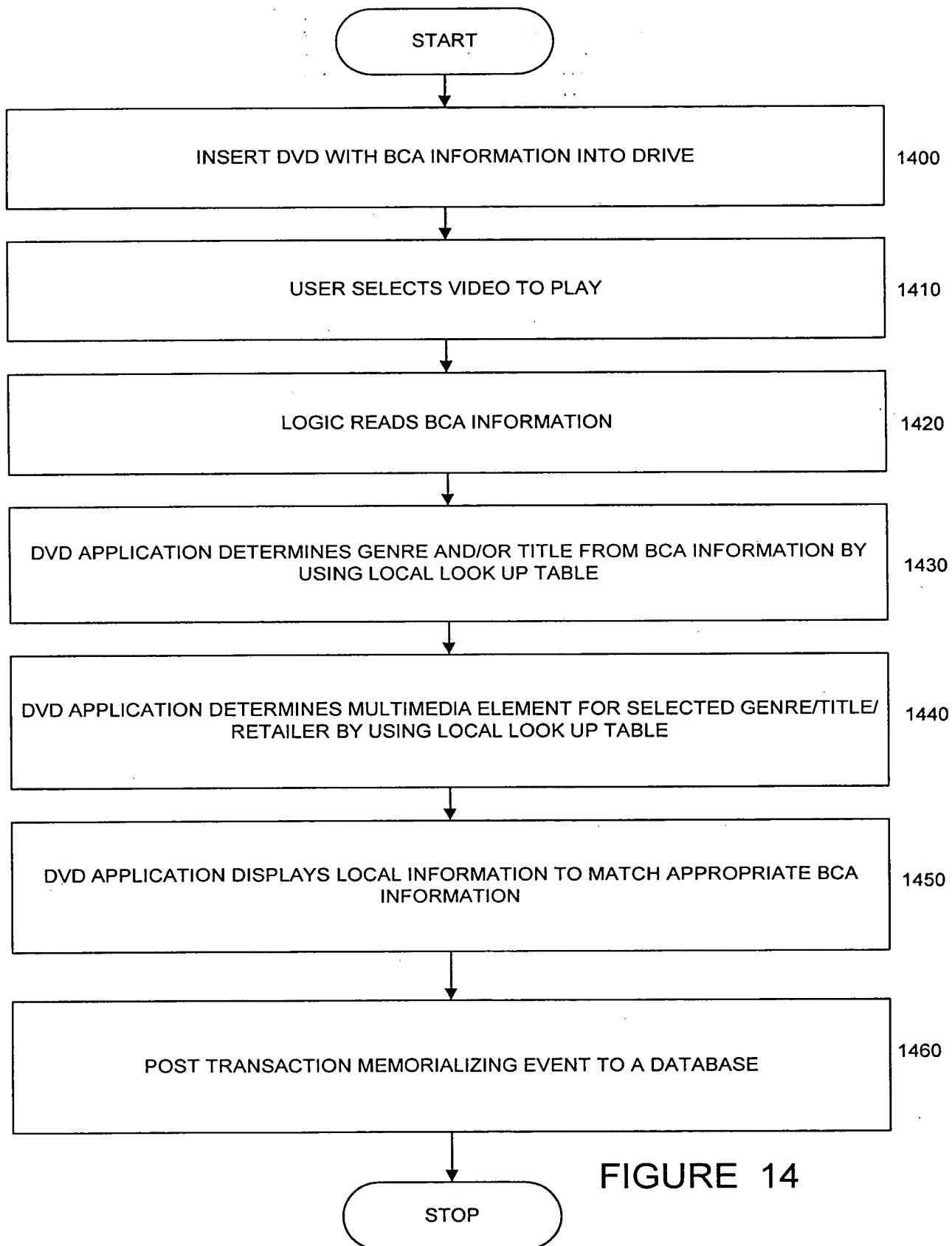


FIGURE 14

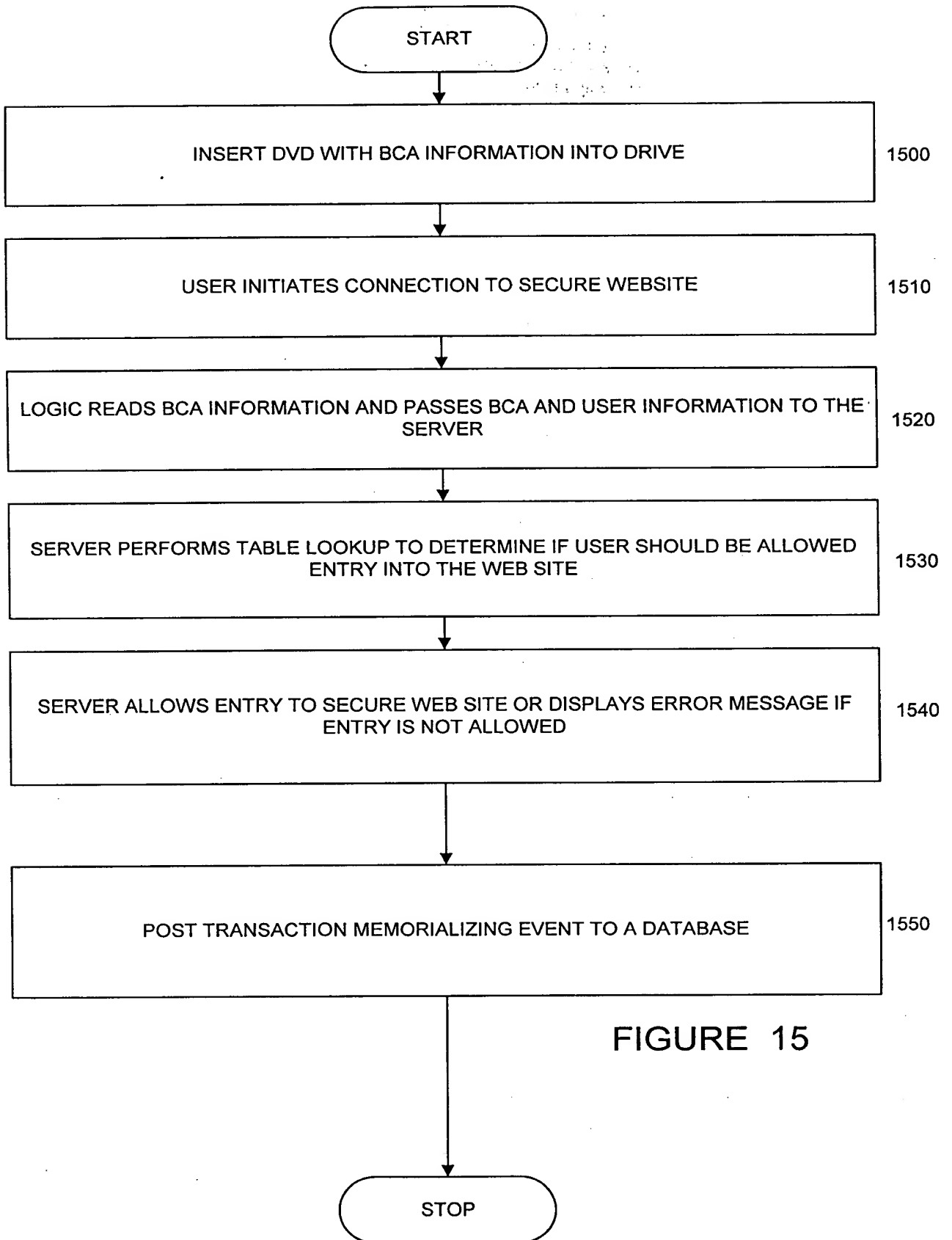


FIGURE 15

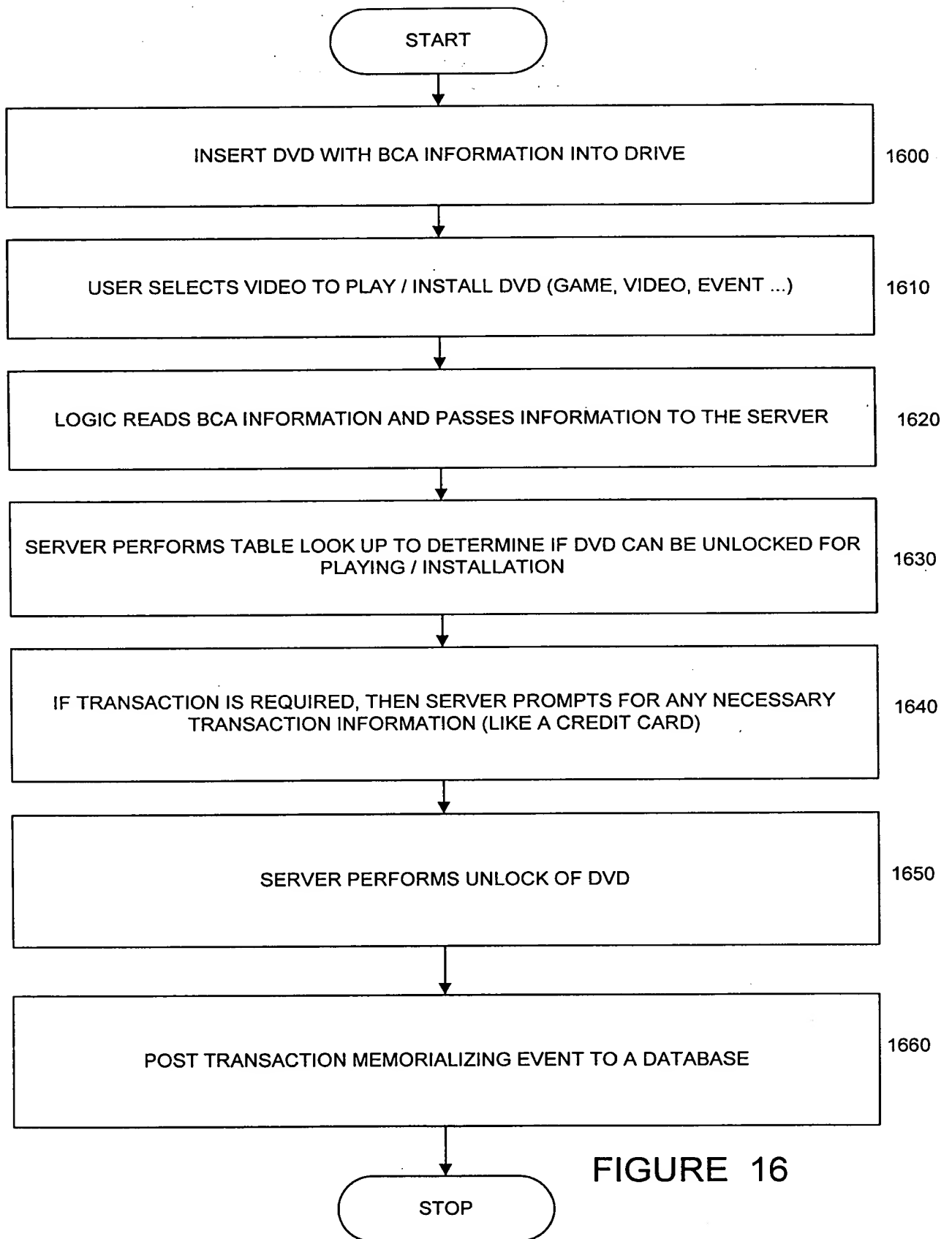


FIGURE 16

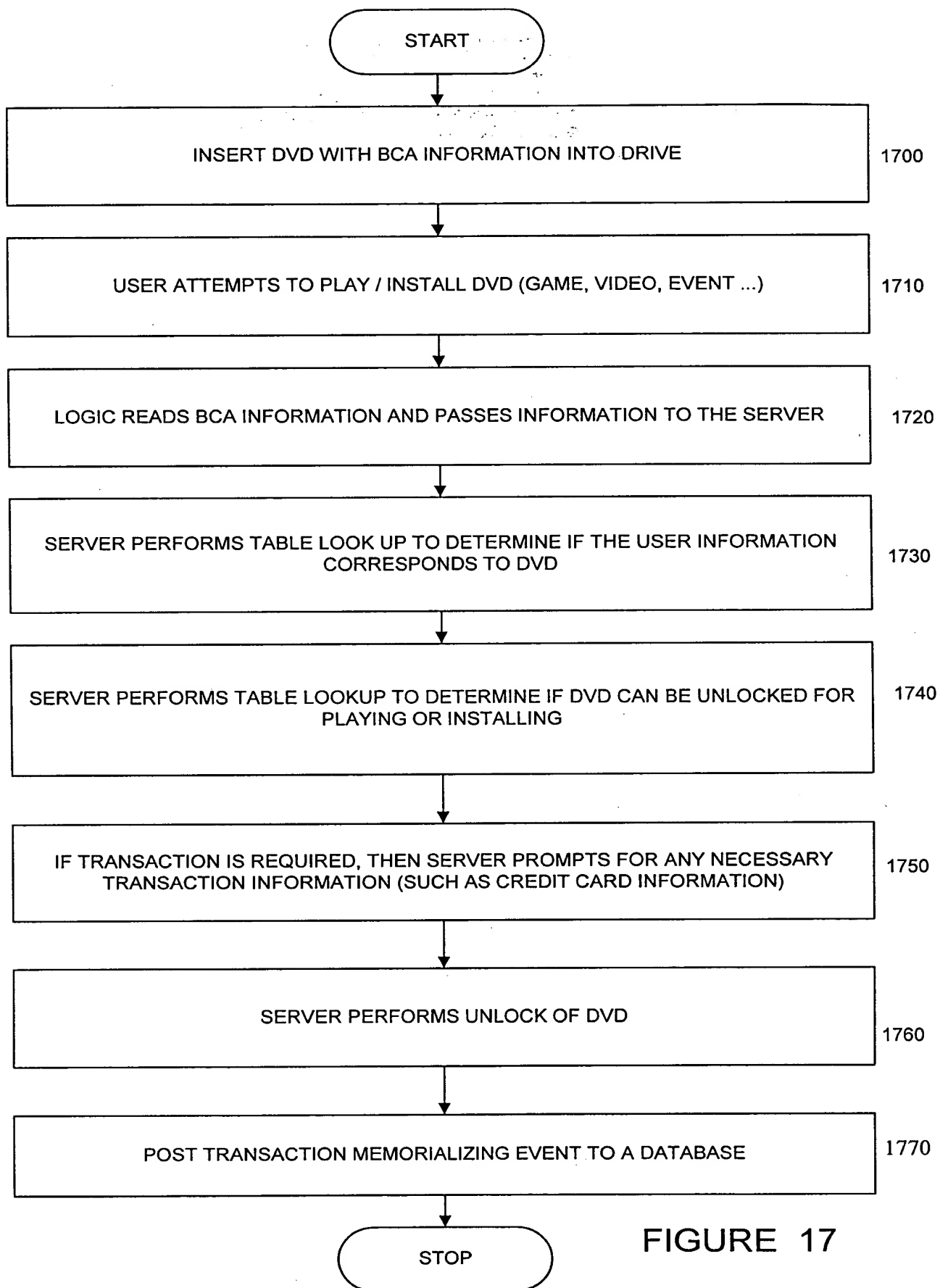


FIGURE 17

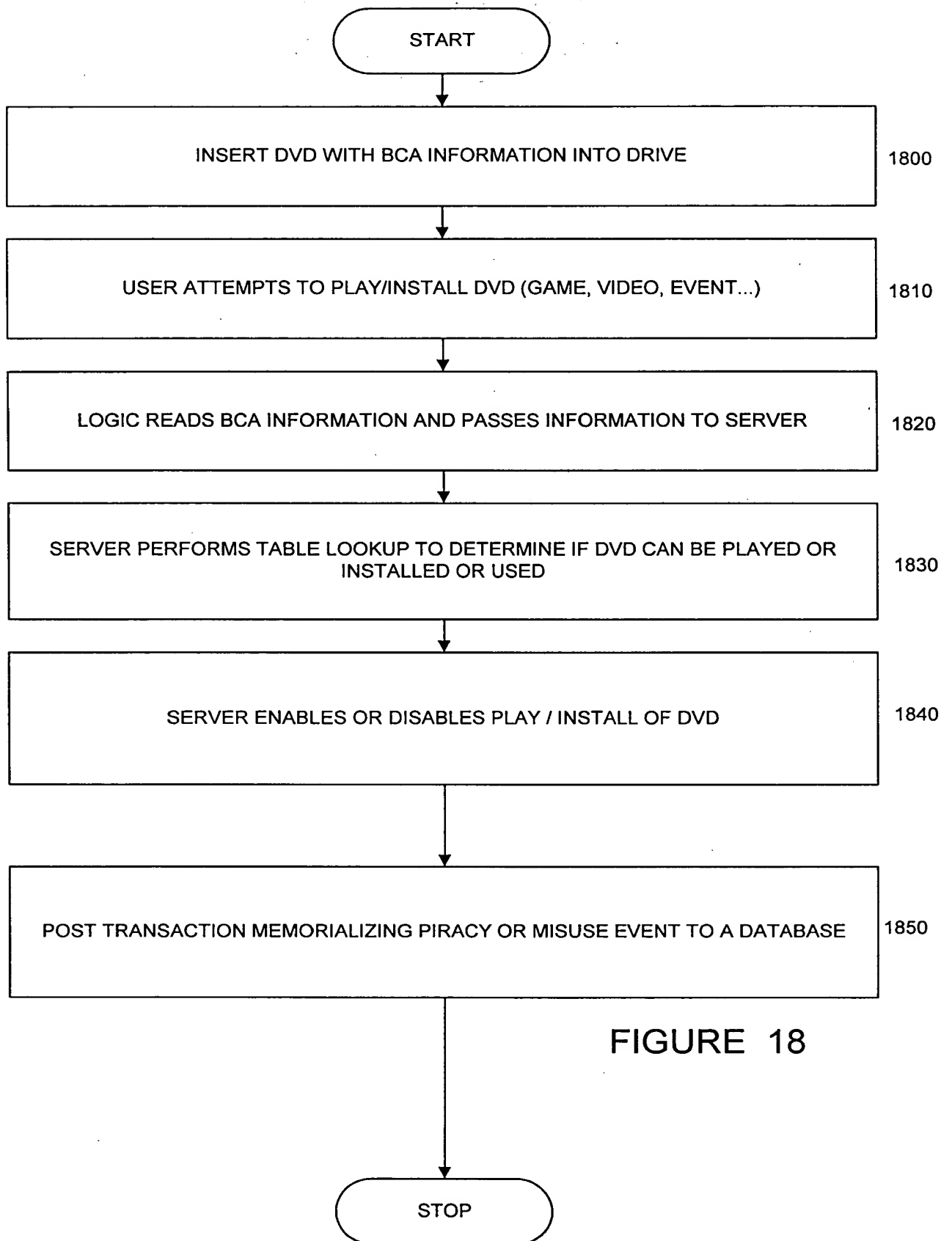


FIGURE 18

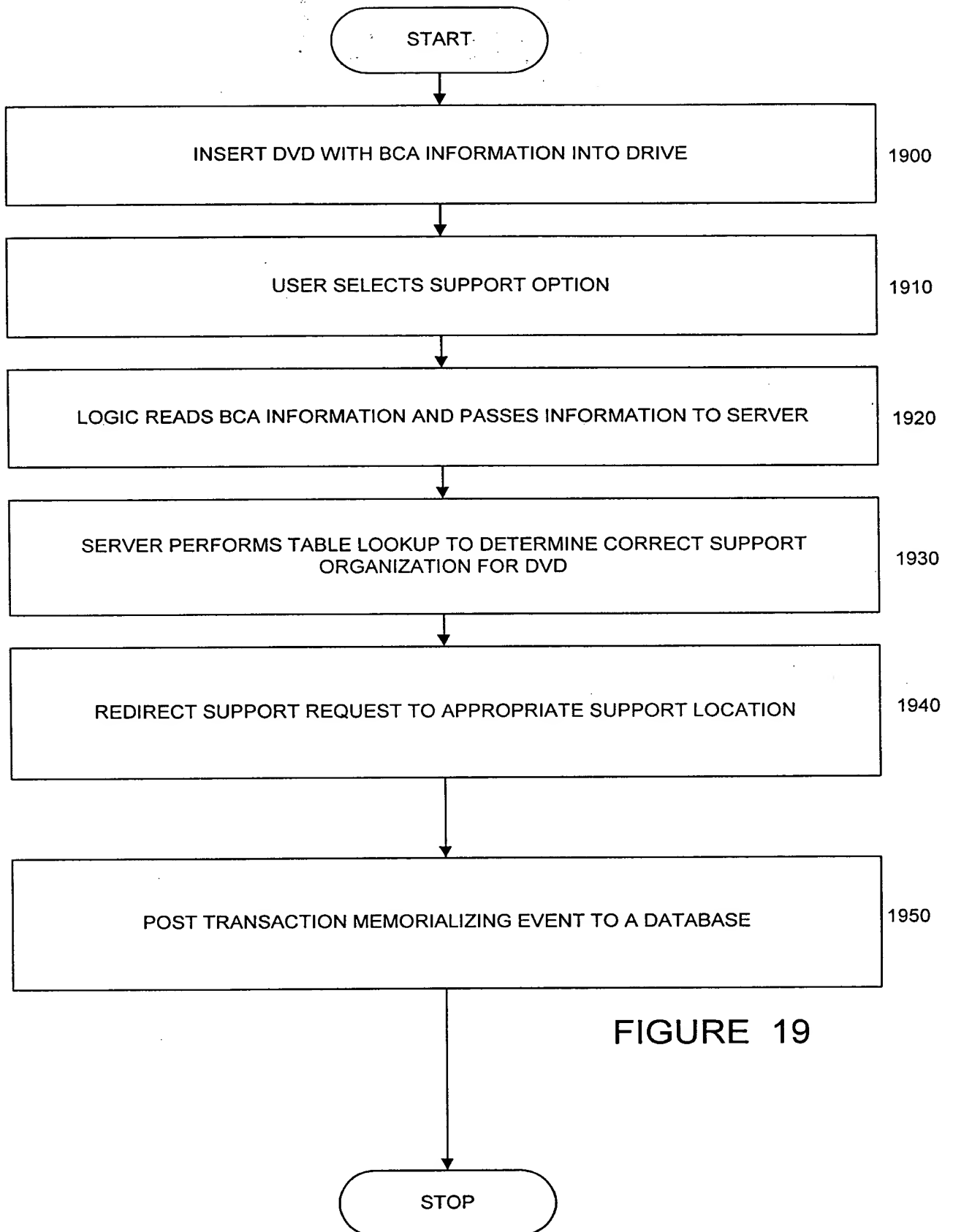


FIGURE 19

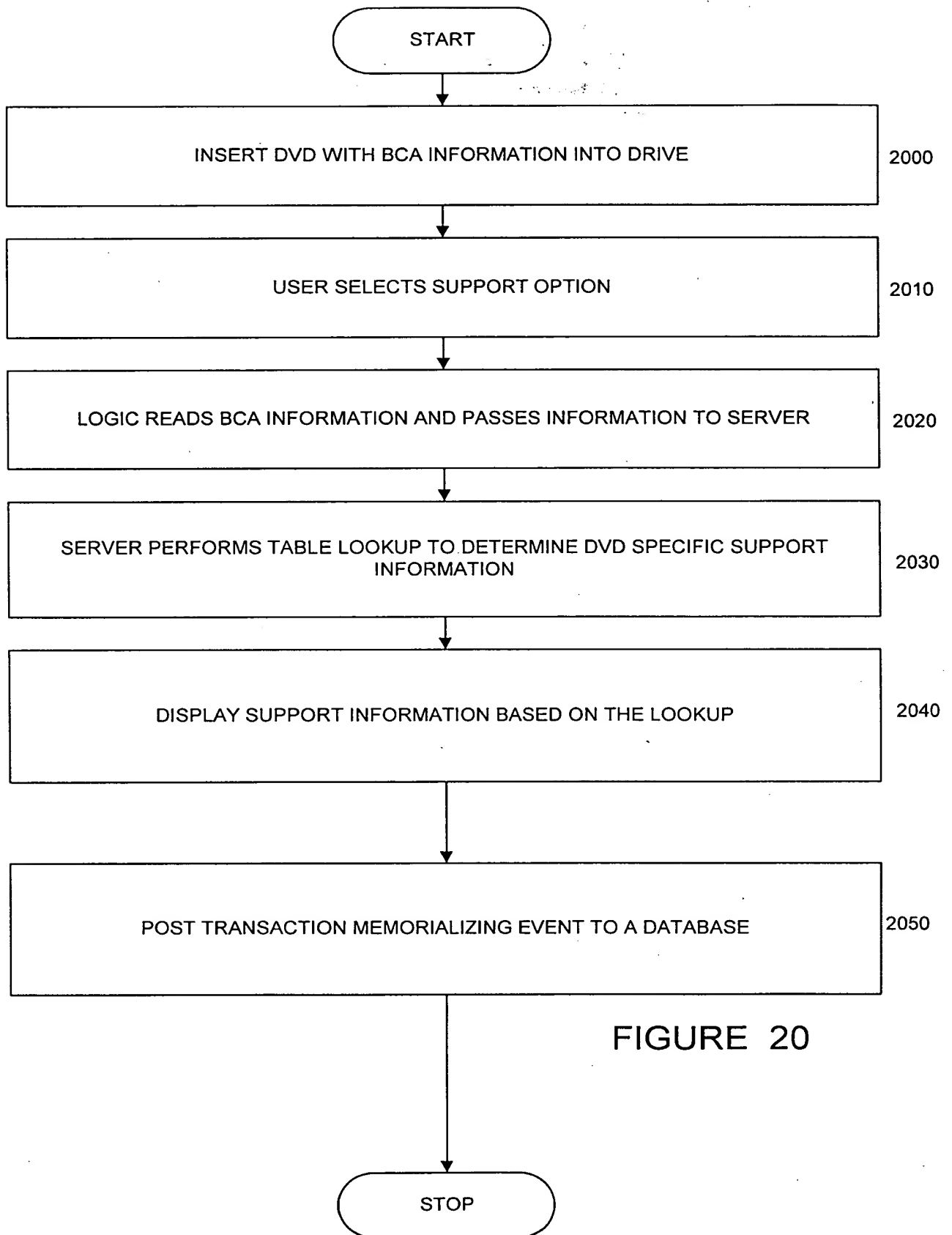


FIGURE 20

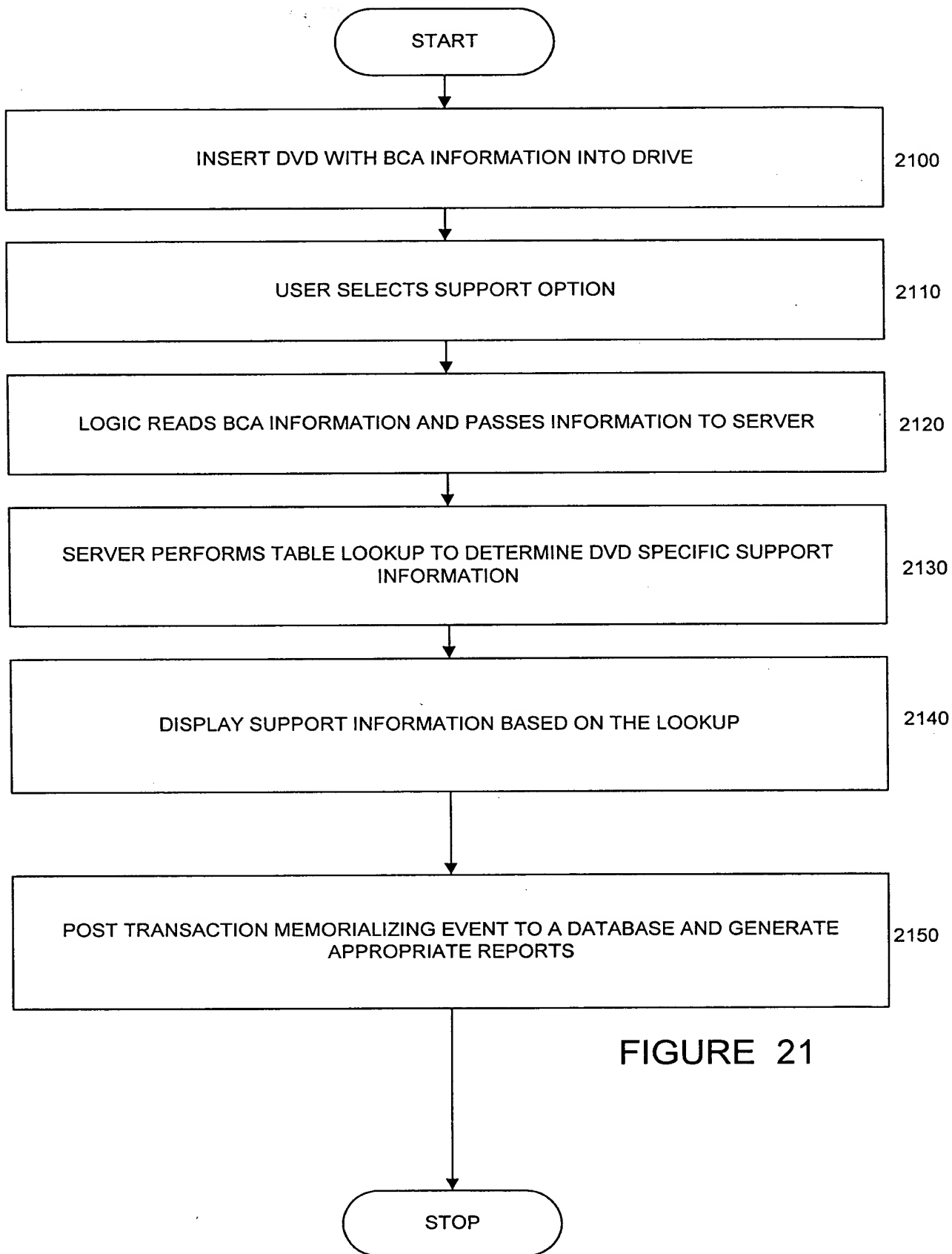


FIGURE 21

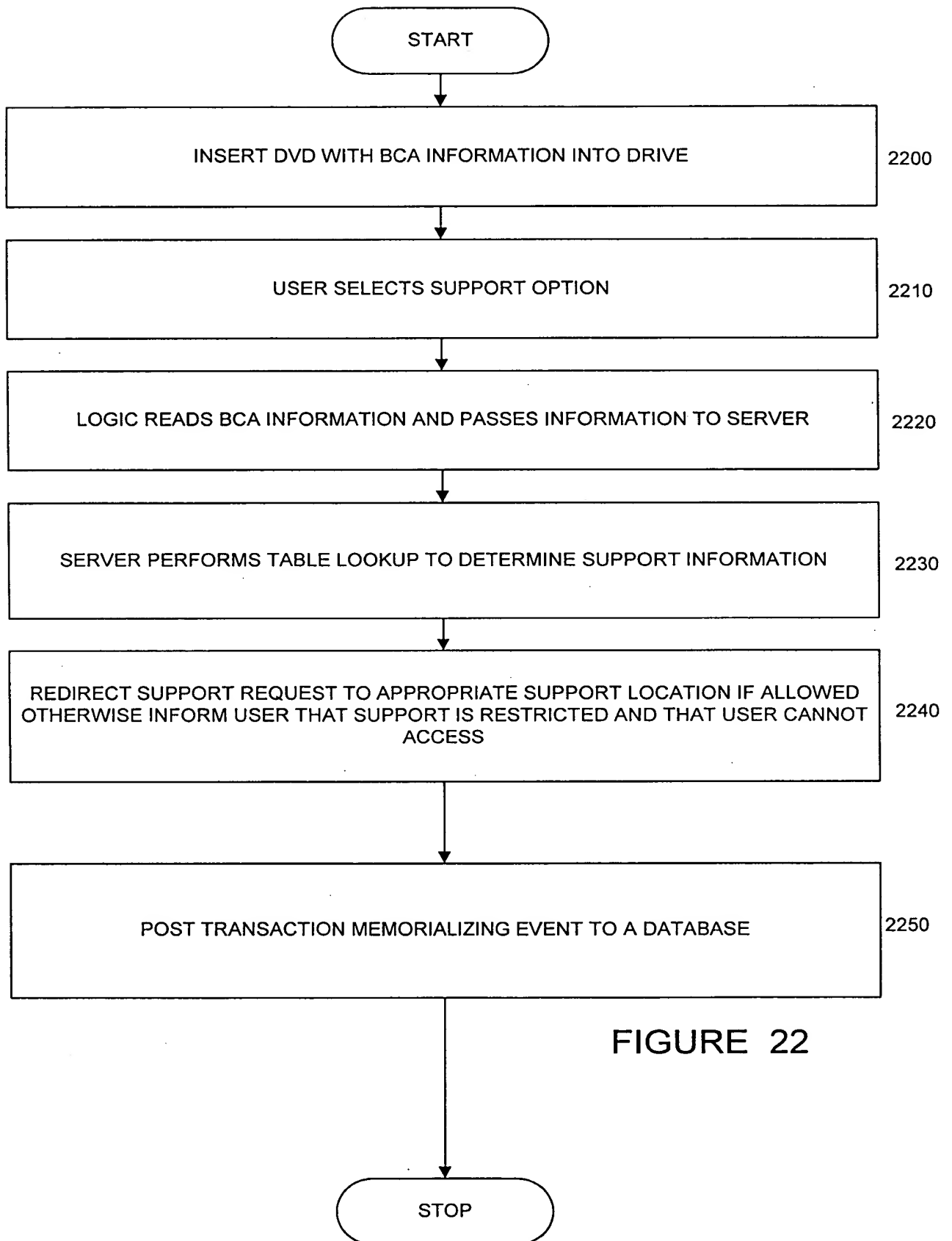


FIGURE 22

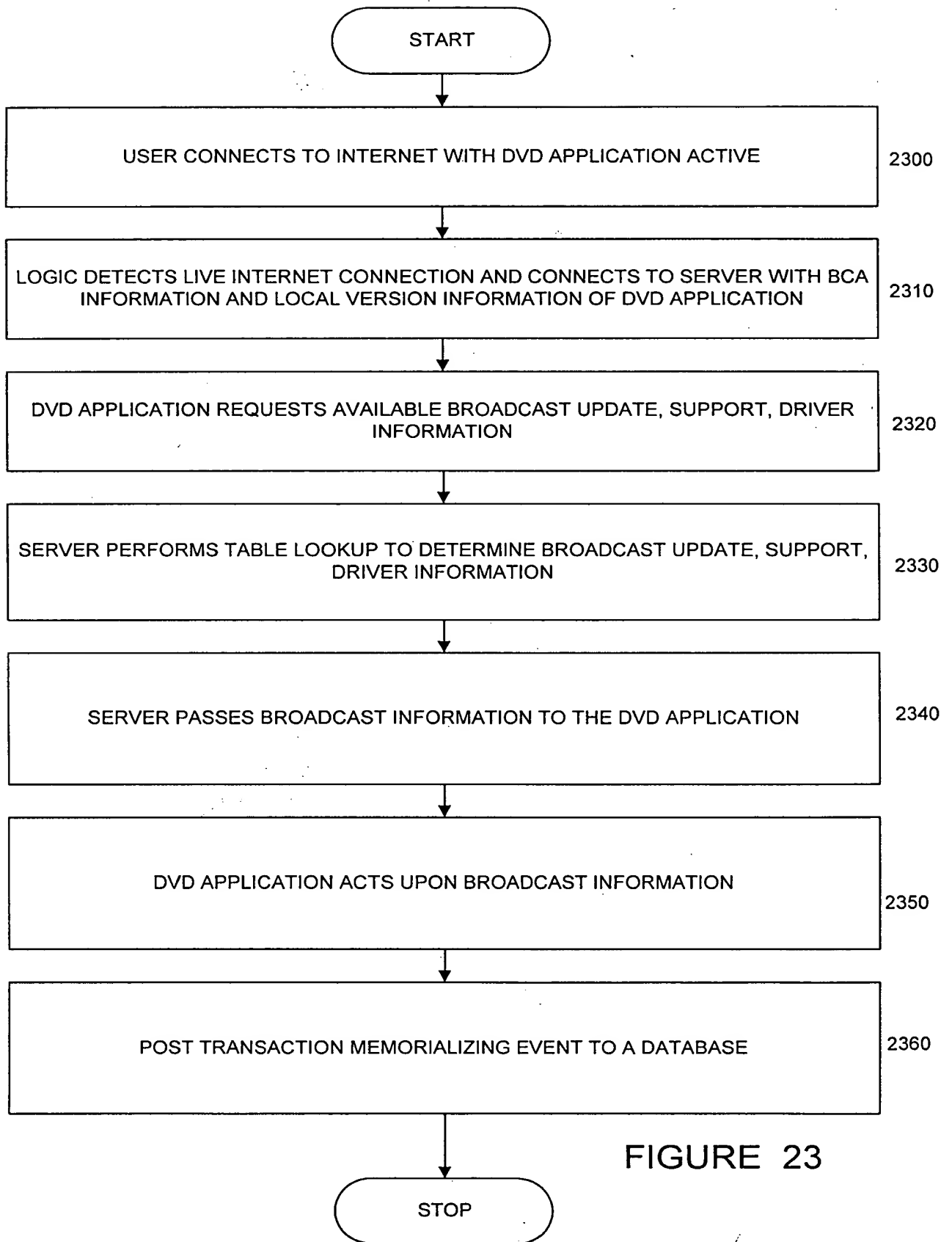


FIGURE 23

Patented 6-26-2000

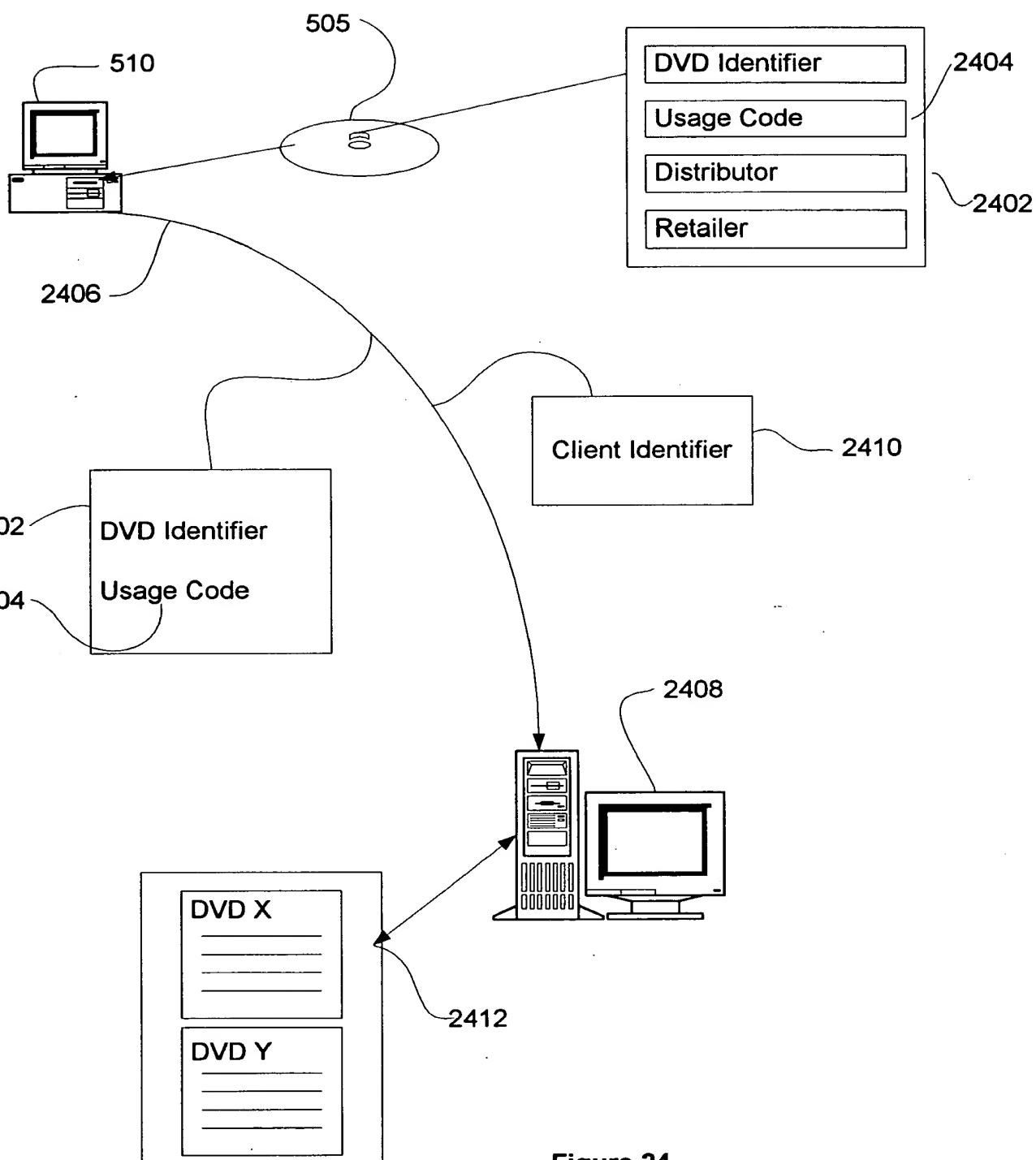


Figure 24

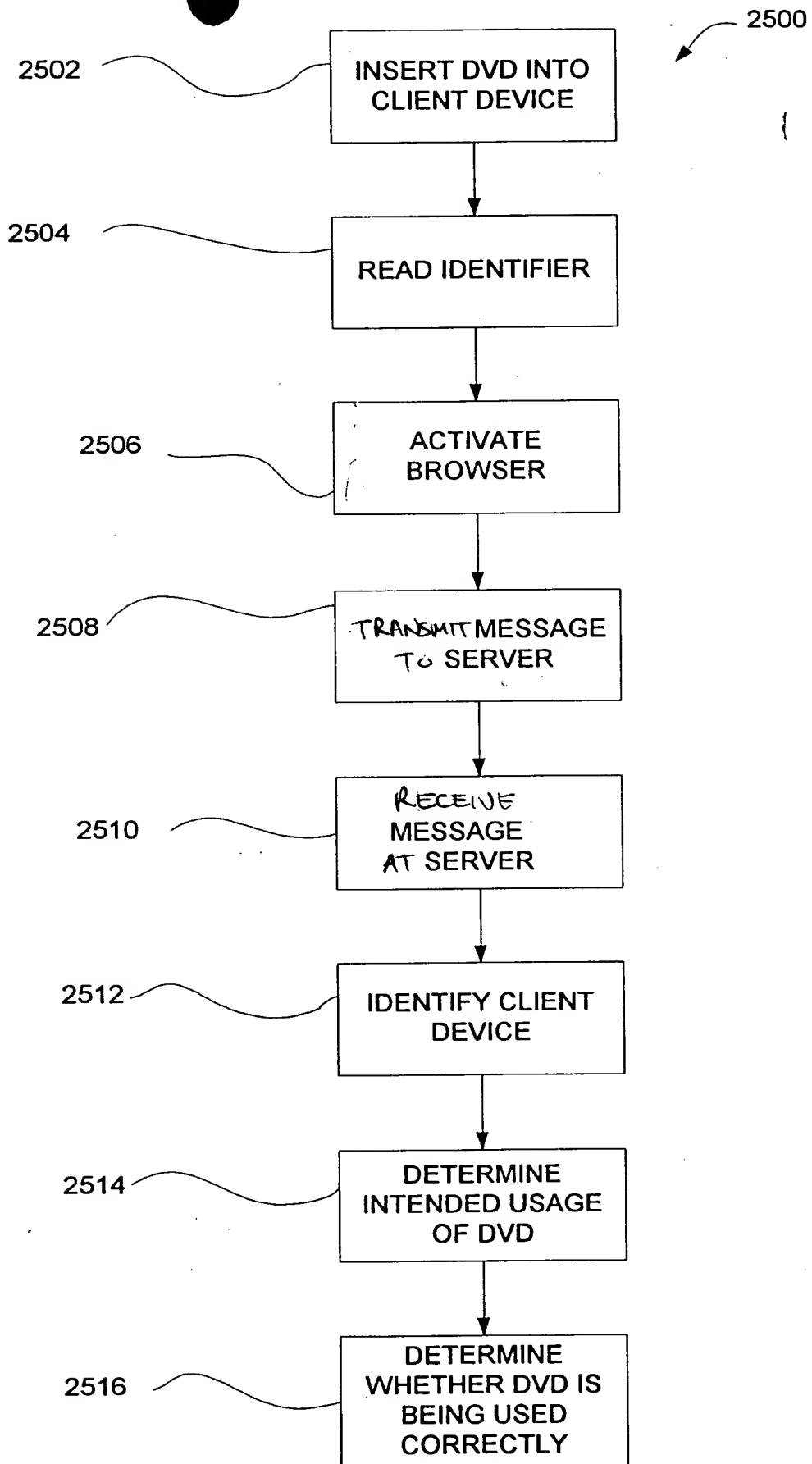


Figure 25

FIG. 26

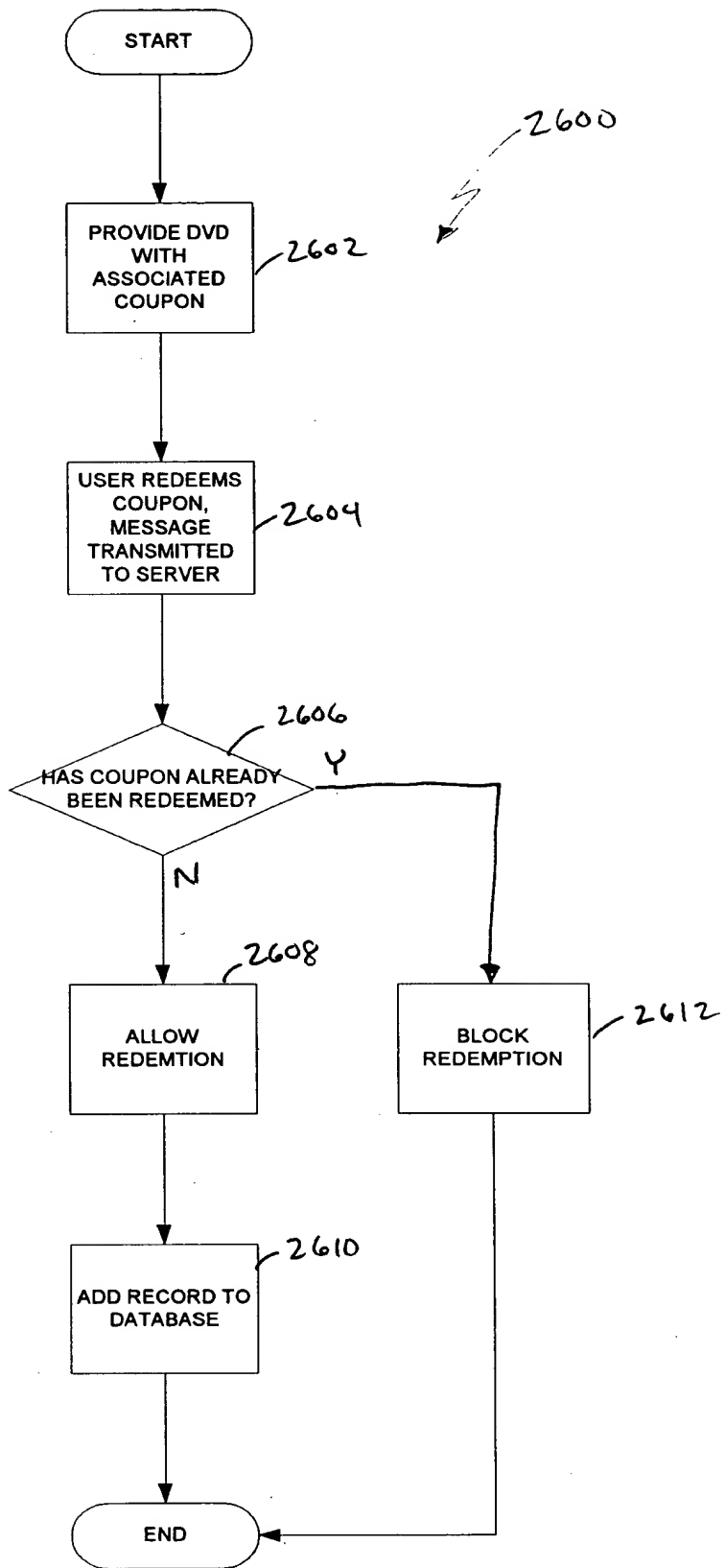


FIGURE 26